

STATEMENT OF PURPOSE

RS19017

This is the year-end appropriation bill that allows for the transfer of funds from the Public Education Stabilization Fund (PESF) and the Budget Stabilization Fund (BSF), to assist the Governor with any additional General Fund revenue shortfalls in fiscal year 2009 that cannot be handled with holdbacks or reversions. If the projected General Fund beginning balance of approximately \$51 million for fiscal year 2010 does not materialize, this bill restores the beginning General Fund cash balance up to \$50 million equally from the PESF and BSF. This bill also transfers \$30 million from the Budget Stabilization Fund to the General Fund to support the fiscal year 2010 General Fund original appropriations.

This bill appropriates \$35,470,600 from the stimulus funds provided for in Title XIV of the federal American Recovery and Reinvestment Act of 2009, for general government and public safety:

- (1) \$5 million to the Dept of Environment Quality for loans/grants for public water systems
- (2) \$10 million to the Dept of Environment Quality for loans/grants for waste mgmt systems
- (3) \$2,999,500 to the Dept of Administration for the Idaho Education Network
- (4) \$17,471,100 to the Dept of Transportation to be available for grants to local entities

This bill appropriates \$7,032,300 from the Budget Stabilization Fund to the Executive Office of the Governor; the equivalent of a 2% personnel cost appropriation for agencies dependent on the General Fund in the Executive Branch, to be used at the Governor's discretion. Agencies with dedicated and federal funds also receive the 2%. This bill also makes null and void the provision in all agency appropriations passed this legislative session that directs a 3% salary reduction including appointed officials. It provides full flexibility to the Governor to manage reductions in personnel funding for the Executive Branch. This bill includes an emergency clause for Sections 1, 2, 3, 12, 13 and 15.

FISCAL NOTE

This bill authorizes the transfer of up to 50% of the Public Education Stabilization Fund and the Budget Stabilization Fund at the end of fiscal year 2009 to deal with General Fund revenue shortfalls; authorizes the transfer of up to \$25 million from each the Public Education Stabilization Fund and the Budget Stabilization Fund to deal with a shortfall in the beginning balance in the General Fund for fiscal year 2010; and transfers \$30 million from the Budget Stabilization to the General Fund for fiscal year 2010. This bill appropriates \$35,470,600 from the federal stimulus funds to various state agencies on a one-time basis; and appropriates \$7,406,300 from the Budget Stabilization Fund to the Office of the Governor for personnel costs for Executive Branch agencies. Section 17 appropriates funds for personnel costs to agencies with dedicated and federal funds. An additional \$7,812,500 is appropriated from dedicated funds and \$3,582,600 from federal funds for a total of \$11,395,100 for one-time personnel costs. Sections 18, 19 and 20 appropriate a total

of \$374,000 from the Budget Stabilization Fund to the Legislature, Legislative Council, and the Supreme Court to be used if necessary to maintain essential services.



Contact:

Name: Cathy Holland-Smith

Office: Budget and Policy Analysis

Phone: (208) 334-4731